

1 BEFORE THE
2 ILLINOIS COMMERCE COMMISSION
3
4 IN THE MATTER OF:)
5)
6 NORTHERN HILLS WATER AND SEWER)
7) No. 10-0298
8 Proposed general increase in)
9 water and sewer rates.)
10 (tariffss filed March 15, 2010)
11
12
13 Chicago, Illinois
14 September 30, 2010
15 Met pursuant to notice at 10:00 a.m.
16 BEFORE:
17 MR. JOHN RILEY, Administrative Law Judge.
18
19
20 APPEARANCES:
21 HOWARD & HOWARD ATTORNEYS, PLLC, by
22 MR. W. MICHAEL SEIDEL
23 200 South Michigan Avenue, Suite 1100
24 Chicago, Illinois 60604
25 appeared for Applicant;
26
27 MS. JENNIFER LIN and
28 MS. NICOLE SARA
29 160 North LaSalle Street, Suite C-800
30 Chicago, Illinois 60601
31 appeared for Commission Staff.
32
33 SULLIVAN REPORTING COMPANY, by
34 Teresann B. Giorgi, CSR
35

1		<u>I</u>	<u>N</u>	<u>D</u>	<u>E</u>	<u>X</u>	
2					Re-	Re-	By
3	<u>Witnesses:</u>	<u>Dir.</u>	<u>Crx.</u>	<u>dir.</u>	<u>crx.</u>		<u>Examiner</u>
4	NONE						
5							
6							
7							
8		<u>E</u>	<u>X</u>	<u>H</u>	<u>I</u>	<u>B</u>	<u>I</u>
9	<u>NH'S</u>	<u>FOR IDENTIFICATION</u>				<u>IN EVIDENCE</u>	
10	1.0 thru 5.0	-----				15	
11							
12	<u>STAFF'S</u>						
13	1.0	-----				18	
14	2.0	-----				18	
15	3.0 & 3.1	-----				18	
16	4.0	-----				18	
17	5.0	-----				18	
18	6.0 & 6.1	-----				18	
19	7.0 & 7.1	-----				18	
20	8.0 & 8.1	-----				18	
21	9.0 & 9.1	-----				18	
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1 JUDGE RILEY: Pursuant to the direction
2 of the Illinois Commerce Commission, I call
3 Docket 10-0298. This is an Application by Northern
4 Hills Water Company, proposed general increase in
5 water and sewer rates.

6 And Counsel for Northern Hills, would
7 you enter an appearance, please.

8 MR. SEIDEL: Thank you, your Honor.

9 W. Michael Seidel for the law firm of
10 Howard & Howard Attorneys, PLLC, 200 South Michigan
11 Avenue, Suite 1100, Chicago, Illinois 60604,
12 appearing on behalf of Northern Hills Water and
13 Sewer Company.

14 JUDGE RILEY: Thank you.

15 And for Commission Staff?

16 MS. SARA: On behalf of the Staff of the
17 Illinois Commerce Commission, Nicole Sara and
18 Jennifer Lin, 160 North LaSalle Street, C-800,
19 Chicago, Illinois 60601.

20 JUDGE RILEY: Thank you.

21 And at this point, it has come to my
22 attention that the parties have actually resolved

1 all of the matters that were in controversy in this
2 docket. And we are here for the purpose of
3 admitting exhibits and possibly discussing a date
4 for an agreed draft order.

5 Is that essentially correct?

6 MS. SARA: Yes, your Honor.

7 MR. SEIDEL: That's correct, your Honor.

8 JUDGE RILEY: Then, Mr. Seidel, I will turn to
9 you as the attorney for the Applicant and take your
10 motions for admission.

11 MR. SEIDEL: Thank you, your Honor.

12 On behalf of the Northern Hills Water
13 and Sewer Company, we move for the admission of the
14 prepared testimony submitted on behalf of the
15 Company, by affidavit.

16 Those exhibits consists of Revised
17 Direct Testimony on behalf Northern Hills Water and
18 Sewer Company filed via e-Docket on July 1st, 2010.
19 There's no exhibit number marked on that filing, but
20 it would be Northern Hills Exhibit 1.0.

21 In that testimony the witness refers
22 to Schedules A through E. Those Schedules were

1 filed via e-Docket on March 15th, 2010.

2 The next exhibit that we are seeking
3 admission of is Northern Hills Exhibit 2.0, which is
4 the Rebuttal Testimony of Lena Georgiev, which was
5 filed on August 5th, 2010, via e-Docket.

6 After that we have Northern Hills,
7 NH Exhibit 3.0, bearing the title Surrebuttal
8 Testimony of Lena Georgiev. That exhibit was filed
9 via e-Docket on September 14th, 2010.

10 We further have the last piece of
11 prepared testimony, which has been marked for
12 identification purposes as NH Exhibit 4.0, which
13 bears the title of Supplemental Surrebuttal
14 Testimony of Lena Georgiev. This exhibit was filed
15 via e-Docket on September 28th or 29th, I'm not sure
16 about it. The e-Docket will reflect that.

17 Finally, I filed via e-Docket, the
18 affidavit of Lena Georgiev, which we have marked for
19 identification purposes as NH 5.0. And that is an
20 affidavit attesting to the previously filed
21 testimony on behalf of the Company.

22 JUDGE RILEY: Okay. My question is -- okay,

1 Exhibit 1.0 is the Direct Revised Testimony of -- as
2 adopted by Lena Georgiev, is that correct?

3 MR. SEIDEL: Correct.

4 JUDGE RILEY: We're off the record.

5 (Whereupon, a discussion
6 was had off the record.)

7 JUDGE RILEY: And who is on the line?

8 MS. LIN: It's Jonathan Sperry from Staff.

9 JUDGE RILEY: Thank you.

10 Good morning, Mr. Sperry, it's
11 Judge Riley.

12 MR. SPERRY: Hello.

13 JUDGE RILEY: My question with regard to
14 Applicant's Exhibit 1.0, was there a schedule
15 attached -- there was no schedule to this.

16 MR. SEIDEL: No, she references, I believe, the
17 schedules attached -- she references the Schedules A
18 through E that were filed via e-Docket On
19 March 15th, 2010.

20 JUDGE RILEY: All right. Those were attached to
21 1.0?

22 MR. SEIDEL: They weren't attached. They were a

1 separate document that -- we filed them with our
2 tariffs on March --

3 JUDGE RILEY: Oh, that was part of the original
4 filing in this matter.

5 MR. SEIDEL: Correct.

6 JUDGE RILEY: All right. Did any of the other
7 exhibits have attachments?

8 MR. SEIDEL: I believe the Exhibits 2.0 and 3.0
9 had schedules attached.

10 JUDGE RILEY: And does your motion to admit
11 Exhibit 2.0 and 3.0 contemplate admission of the
12 schedules, also, that are attached?

13 MR. SEIDEL: Yes, your Honor.

14 JUDGE RILEY: Going back to 1.0, Schedules A
15 through E, those are not being move admission?

16 MR. SEIDEL: Yes, they are.

17 JUDGE RILEY: Oh, they are.

18 MR. SEIDEL: In her affidavit, Paragraph 2,
19 refers to those schedules.

20 JUDGE RILEY: All right.

21 Let's go off the record.

22

1 (Whereupon, a discussion
2 was had off the record.)

3 JUDGE RILEY: Back on the record.

4 Then what we have are Exhibits 1.0
5 through 5.0.

6 MR. SEIDEL: I did over look two exhibits that
7 were referred to in Exhibit 2.0.

8 In her affidavit Ms. Georgiev also
9 attest to the truthfulness of Northern Hills
10 Exhibits 2.1W and 2.1S and 2.2.

11 JUDGE RILEY: There's an affidavit for 2.0, is
12 that what you're saying?

13 MR. SEIDEL: Her affidavit, which is
14 Exhibit 5.0, describes all the pieces of testimony
15 and exhibits that the Company is moving for
16 admission.

17 JUDGE RILEY: Okay. Is Staff clear as to what
18 is being moved for admission?

19 MS. LIN: Yes, Judge.

20 JUDGE RILEY: All right. Is there any objection
21 to any or all of the exhibits moved for admission by
22 the Applicant?

1 MS. SARA: No, Judge.

2 JUDGE RILEY: No objection.

3 Then, Applicant's Exhibits 1.0 through
4 5.0 with the identified attached schedules are
5 admitted into evidence.

6 MR. SEIDEL: Thank you, your Honor.

7 (Whereupon, NH's Exhibits
8 1.0 through 5.0 were
9 admitted in evidence.)

10 JUDGE RILEY: And does that conclude the
11 Applicant's case in chief?

12 MR. SEIDEL: Yes.

13 JUDGE RILEY: Thank you, Mr. Seidel.

14 And now, we will turn to Staff.

15 MS. SARA: Your Honor, at this time Staff would
16 move for admittance into the record all the Staff
17 witnesses' pre-filed testimony filed on the
18 Commission's e-Docket system beginning with ICC
19 Staff Exhibit 1.0, the pre-filed Direct Testimony of
20 Witness Mike Ostrander, O-s-t-r-a-n-d-e-r, filed on
21 July 8th, 2010, which also includes Schedules 1.1S
22 through 1.12S and 1.1W through 1.12W.

1 And on September 2nd, 2010, Staff
2 Witness Ostrander filed with the Clerk of the
3 Commission his rebuttal testimony, perviously marked
4 for identification as Exhibit 6.0, which includes
5 Schedules 6.1S through 6.10S and Schedules 6.1W
6 through 6.10W.

7 And also on September 28th, 2010,
8 Mr. Ostrander filed on e-docket Exhibit 6.1, an
9 affidavit in support of his pre-filed testimony.

10 Next, on July 8th, 2010, Staff Witness
11 Burma Jones pre-filed with the Clerk of the
12 Commission, ICC Staff Exhibit 2.0, the Direct
13 Testimony of Burma C. Jones, which include
14 Schedules 2.1W through 2.7W and 2.1S through 2.7S.

15 Also on September 2nd, 2010, Ms. Jones
16 filed on e-Docket Exhibit 7.0, her rebuttal
17 testimony, which includes Schedules 7.0W through
18 7.3W and Schedules 7.1S through 7.4S.

19 And on September 28th, 2010, Ms. Jones
20 filed on e-Docket ICC Staff Exhibit 7.1, an
21 affidavit in support of her pre-filed testimony.

22 Next, Staff Exhibit 3.0 is the

1 pre-filed Direct Testimony of Staff Witness Janis
2 Freetly, F-r-e-e-t-l-y, filed on July 8th, 2010, on
3 the Commission's e-Docket system, which also
4 includes Schedules 3.0 through 3.9.

5 And on September 28th, 2010,
6 Ms. Freetly also filed ICC Staff Exhibits 3.1, an
7 affidavit in support of her pre-filed testimony.

8 Next, on July 8th, 2010, Staff Witness
9 Christopher Boggs, filed with the Clerk of the
10 Commission ICC Staff Exhibit 4.0, the Direct
11 Testimony of Christopher Boggs, which includes
12 Schedules 4.1 through 4.5.

13 On September 9th, 2010, Mr. Boggs
14 filed with ICC, Staff Exhibit 8.0R, his revised
15 rebuttal testimony via the Commission's e-Docket
16 system. And that includes Schedules 8.1 through
17 8.5.

18 On September 28th, 2010, Mr. Boggs
19 also filed with ICC, Staff Exhibit 8.1, an affidavit
20 in support of his pre-filed testimony.

21 Next, ICC Exhibit 5.0, the Direct
22 Testimony of Staff Witness William Johnson, was

1 filed with the Clerk of the Commission on July 8th,
2 2010. And that includes Schedules 5.1 and 5.2.

3 On September 2nd, 2010, Mr. Johnson
4 filed ICC Staff Exhibit 9.0, his rebuttal testimony.

5 And last, on September 28th, 2010,
6 Mr. Johnson filed ICC Staff Exhibit 9.1, an
7 affidavit in support of his pre-filed testimony.

8 JUDGE RILEY: And these are moved for admission
9 into evidence?

10 MS. SARA: Yes, your Honor.

11 JUDGE RILEY: Any objection, Counsel?

12 MR. SEIDEL: No, your Honor.

13 JUDGE RILEY: Then the ICC Staff exhibits listed
14 by Counsel are admitted into evidence, as described.

15 (Whereupon, Staff Exhibits
16 1.0 thru 9.0 and 3.1, 6.1,
17 7.1, 8.1 and 9.1 were
18 admitted in evidence.)

19 JUDGE RILEY: Is there anything further?

20 MR. SEIDEL: I have a question off the record.

21 JUDGE RILEY: We can go off the record.

22

1 (Whereupon, a discussion
2 was had off the record.)
3 JUDGE RILEY: Back on the record.
4 That concludes Staff's case in chief?
5 MS. SARA: Yes, your Honor.
6 JUDGE RILEY: Thank you.
7 And the parties, I understand, are
8 also discussing the matter of an agreed draft order?
9 MR. SEIDEL: That's correct, your Honor. The
10 Company has determined -- as pointed out in the
11 supplemental surrebuttal is not opposing any of the
12 Staff recommendation or the revenue requirements and
13 rates approved by Staff or -- the Staff's testimony
14 recommends to the Commission, so we will draft --
15 prepare a draft order incorporating that for your
16 submission to the Commission.
17 JUDGE RILEY: Is that what was Staff's
18 understanding?
19 MS. SARA: Yes, your Honor.
20 JUDGE RILEY: All right. Thank you very much,
21 I'll look forward to the agreed draft order.
22 And if there is nothing further, I

1 will direct the court reporter to mark this matter
2 heard and taken.

3 MR. SEIDEL: Thank you, your Honor.

4 MS. SARA: Thank you.

5 HEARD AND TAKEN

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